

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7347**

**BILL NUMBER:** HB 1808

**NOTE PREPARED:** Jan 2, 2005

**BILL AMENDED:**

**SUBJECT:** Cigarette manufacturer fee.

**FIRST AUTHOR:** Rep. Brown C

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Pending

**Summary of Legislation:** This bill imposes a \$0.025 fee on each cigarette sold by a manufacturer. It requires a nonparticipating manufacturer that does not sell cigarettes in Indiana to prepay the fee before selling cigarettes in Indiana. The bill also provides a credit against the fee to manufacturers in varying amounts. This bill establishes the Cigarette Manufacturer Fee Account in the state General Fund. It also distributes money in the account to: (1) human immunodeficiency virus (HIV) prevention programs; (2) community health center capital expenditures; and (3) the master settlement agreement fund. The bill requires a cigarette distributor to report certain information to the Department of State Revenue.

**Effective Date:**

**Explanation of State Expenditures:** *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst:** Adam Brown, 317-232-9854.